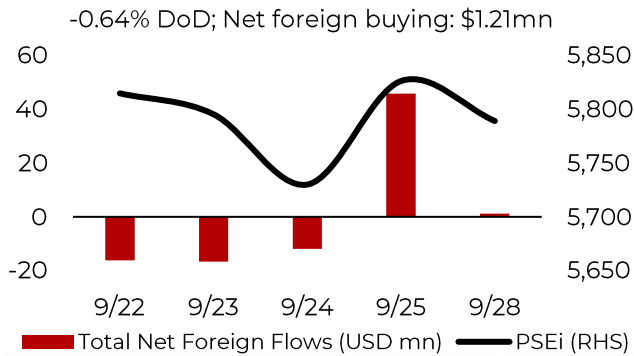


The Morning View

September 29, 2026

Philippine Stock Exchange Index



	Level	DoD
PSEi	5,788.87	-0.64%
3-mo bond yield	5.44%	+1.87 bps
2-yr bond yield	6.71%	+4.36 bps
5-yr bond yield	7.40%	+2.53 bps
10-yr bond yield	7.69%	-1.28 bps
USDPHP	62.55	+0.13%
Oil (Brent, \$ / barrel)	105.28	+0.92%

CAMPI-TMA reported that PH vehicle sales fell to a four-month low of 29,611 units in August (July: 37,319), down by 18.1% YoY. Both passenger and commercial vehicle sales fell by 10.6% YoY and 20.1% YoY, respectively, weighed down by adverse weather which disrupted dealership operations and consumer activity. On a positive note, electrified vehicle sales more than tripled to 7,066 units. As of 8M26, total automotive sales stood at 271,336 units (-11.1% YoY). Note that the figures do not account for BYD's sales, which grew strongly in 8M26.

Meralco PowerGen Corp. (MGEN), the generation subsidiary of Manila Electric Co. (PSE Ticker: MER), broke ground on its 670-megawatt hydrogen-ready power plant in Singapore. Scheduled for completion in 2029, the facility pairs a Mitsubishi Power gas turbine with integrated battery storage.

Local equities fell and the **Philippine peso** weakened after the US rejected Iran's proposal to reopen the Strait of Hormuz last weekend. Meanwhile, **local fixed income yields** closed mixed as investors focused on the retail Treasury bond sale starting today.

The PSEi closed at 5,788.87 (-0.64% DoD).

On average, yields fell by 0.77 bps, with the 2Y closing at 6.71% (+4.36 bps) and the 10Y closing at 7.69% (-1.28 bps).

The USD/PHP pair closed at 62.55 (+0.13% DoD).

US and Iranian officials held separate talks with mediators on Monday to resolve the seven-month war. Tehran offered to reopen the Strait of Hormuz and restart nuclear talks in exchange for sanctions and blockade relief, access to frozen assets, and a ceasefire in Iran and Lebanon.

Fed Governor Lisa Cook expects inflationary pressures to persist due to AI-related demand, higher oil prices, and supply-chain disruptions amid the Middle East conflict. She added that the labor market appears "well positioned" for further increases in policy rate. However, she did not commit to further rate hikes, noting that future policy decisions would remain data dependent.

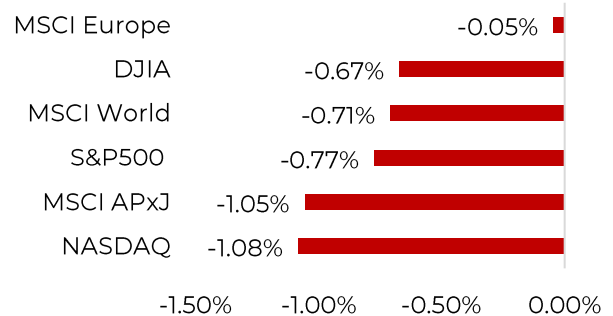
US equities pulled back, **US Treasury yields** jumped, and the **US dollar** strengthened amid safe-haven demand as hopes of a US-Iran deal faded. This was after the US rejected Iran's proposal to reopen the Strait of Hormuz and end the war over the weekend, lifting global oil prices.

The S&P 500 closed at 7,683.69 (-0.77% DoD), while the DJIA ended at 51,481.51 (-0.67% DoD).

On average, yields rose by 5.11 bps, with the 2Y closing at 4.93% (+7.70 bps) and the 10Y closing at 5.24% (+7.30 bps).

The DXY closed at 101.20 (+0.22% DoD).

Global Stock Indices



	Level	DoD
S&P 500	7,683.69	-0.77%
DJIA	51,481.51	-0.67%
NASDAQ	30,276.81	-1.08%
3-mo US Treasury yield	4.16%	-1.90 bps
2-yr US Treasury yield	4.93%	+7.70 bps
5-yr US Treasury yield	5.07%	+8.30 bps
10-yr US Treasury yield	5.24%	+7.30 bps
DXY	101.20	+0.22%